GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:729
ANSWERED ON:09.07.2009
ALLOCATION OF KEROSENE/ LPG
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the monthly requirement of kerosene/LPG in each State/Union territories including Bihar and Goa;

(b) the quantity of kerosene/LPG supplied to each State/Union territory during each of the last three years and current year;

(c) whether the Government is aware that there is acute shortage of kerosene/LPG in many States including Bihar and Goa;

(d) if so, whether the Government has received any request from various States for increasing the quotas of kerosene/LPG of their States; and

(e) if so, the details thereof and the steps taken by the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a): Ministry of Petroleum and Natural Gas makes quarterly allocation of PDS kerosene to States/ Union Territories for further distribution under the PDS network. The quantity of PDS kerosene for distribution per card holder is decided by concerned State Govt/UT.

LPG supplies to distributors are being made by the Public Sector Oil Marketing Companies (OMCs) in accordance with the requirement of customers registered with the LPG distributors.

There is no State-wise quota fixed by the Government for the allocation of LPG.

(b): The quantity of PDS kerosene allocated to the States/UTs during the last three years and current year is at Annex 'A'. State-wise consumption of Domestic LPG for the last three years is at Annex 'B'.

(c) & (d): There is no overall shortage of Liquefied Petroleum Gas (LPG) and kerosene in the country including, in the State of Bihar and Goa. However, OMCs had reported occasional backlog in certain States/Union Territories due to road breaches, collapse of bridge, agitational activities/strikes by the employees, strike by transporters and contract labourers, hartals etc. To liquidate the backlog situation in the States/UTs the bottling plants were operated on holidays and by extending hours of working. As regards kerosene, no shortage has been reported by the State Governments/UTs.

(e): Requests have been received from various State Governments for increasing the SKO allocation, the Government of India commissioned a detailed study of Kerosene demand in the country, through the National Council of Applied Economic Research (NCAER) in December 2004. NCAER submitted its report in October 2005. NCAER has inter alia recommended to restrict the subsidy on kerosene to BPL families only. Also, Dr. Rangarajan Committee constituted by the Government to formulate a long-term pricing policy of petroleum products has also recommended to restrict PDS SKO subsidy to BPL families only. The Government has accepted the recommendations of Dr. Rangarajan Committee Report and has decided 'in principle' that subsidy on PDS Kerosene may be restricted to BPL families only. The proposal to work out the modalities to implement this decision and for rationalizing the allocation of PDS kerosene among States/UTs is under the consideration of the Government.